



February 14, 2001

HOUSE BILL No. 1230

DIGEST OF HB 1230 (Updated February 13, 2001 1:30 PM - DI 103)

Citations Affected: IC 24-5.

Synopsis: Home improvement contracts. Provides that a home improvement contract between a home improvement supplier and a consumer is subject to certain conditions and requirements if the contract is entered into as a result of damage, loss, or expense: (1) that is covered, in whole or in part, by the proceeds of an insurance policy; or (2) for which a third party is liable.

Effective: July 1, 2001.

Kuzman

January 9, 2001, read first time and referred to Committee on Commerce, Economic Development and Technology.
February 13, 2001, reported — Do Pass.

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HB 1230—LS 7282/DI 94+



February 14, 2001

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE BILL No. 1230

A BILL FOR AN ACT to amend the Indiana Code concerning consumer sales.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 24-5-11-10 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 10. (a) The home
3 improvement supplier shall provide a completed home improvement
4 contract to the consumer before it is signed by the consumer. **Except**
5 **as provided in subsection (c)**, the contract must contain at a minimum
6 the following:
7 (1) The name of the consumer and the address of the residential
8 property that is the subject of the home improvement.
9 (2) The name and address of the home improvement supplier and
10 each of the telephone numbers and names of any agent to whom
11 consumer problems and inquiries can be directed.
12 (3) The date the home improvement contract was submitted to the
13 consumer and any time limitation on the consumer's acceptance
14 of the home improvement contract.
15 (4) A reasonably detailed description of the proposed home
16 improvements.
17 (5) If the description required by subdivision (4) does not include

HB 1230—LS 7282/DI 94+



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the specifications for the home improvement, a statement that the specifications will be provided to the consumer before commencing any work and that the home improvement contract is subject to the consumer's separate written and dated approval of the specifications.

(6) The approximate starting and completion dates of the home improvements.

(7) A statement of any contingencies that would materially change the approximate completion date.

(8) The home improvement contract price.

(9) Signature lines for the home improvement supplier or the supplier's agent and for each consumer who is to be a party to the home improvement contract with a legible printed or a typed version of that person's name placed directly after or below the signature.

(b) The home improvement contract must be in a form that each consumer who is a party to it can reasonably read and understand.

(c) If a home improvement contract is entered into as a result of damage, loss, or expense that is covered, in whole or in part, by the proceeds of an insurance policy, or damage, loss, or expense for which a third party is liable, the following conditions and requirements apply to the contract:

(1) For the purpose of subsection (a)(4) through (a)(7), the description, completion dates, and statement of contingencies must be prepared for the proposed home improvements to the extent that the damage, loss, or expense is reasonably known by the home improvement supplier.

(2) For the purpose of subsection (a)(4), the requirement that a reasonably detailed description be included in the contract may be satisfied with a statement that the subject real estate will be repaired or restored to the same condition in which the real estate existed before the damage, loss, or expense occurred, or to a comparable condition.

(3) For the purpose of subsection (a)(6), the starting and completion dates may be expressed in terms of the number of days elapsed from the date when sufficient approval of the insurance carrier terms allowing for adequate repair or restoration is obtained.

(4) For the purpose of subsection (a)(8), the consumer may agree to a contract price expressed in terms of the consumer's liability for payment after the application of insurance proceeds or payments from a liable third party.

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1 **(5) The consumer may elect, in writing, to authorize the**
2 **commencement of work on the home before the consumer**
3 **receives complete specifications. However, a consumer who**
4 **elects to authorize the commencement of work under this**
5 **subdivision is obligated for the home improvements specified**
6 **and agreed to by the insurance carrier.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Economic Development and Technology, to which was referred House Bill 1230, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

FRY, Chair

Committee Vote: yeas 12, nays 0.

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HB 1230—LS 7282/DI 94+

